



SPECIAL EDUCATION IN CALIFORNIA CHARTER SCHOOLS: ALL STUDENTS WELCOME

April 2015

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EXECUTIVE SUMMARY

Executive Summary

CHARTER SCHOOLS AND SPECIAL EDUCATION

Charter public schools are often criticized for serving fewer students with disabilities than traditional public schools. Opponents often assume that this is due to charters denying access to difficult-to-serve students; however, very few studies examine the factors that contribute to differences in enrollment. Two recent studies concluded that parent choice, as well as school practices for classifying and educating students with differing needs, have a major impact on special education enrollment in charter schools, effectively defying some of the persistent myths around special education in charter schools^{1,2}. This study adds to this growing body of research by examining the effect a charter school's legal identity has on the percentage and range of students with disabilities served in California charter schools.

Under California law, charter schools have two options for special education legal identity: operating as part of an existing Local Education Agency (LEA) or operating as its own independent LEA for special education purposes as a member of a Special Education Local Plan Area (SELPA).³ The charter school's legal identity has major implications for its access to special education funding, infrastructure, and authority over placement decisions for students with disabilities, which in turn have a significant impact on the enrollment of students with disabilities.

By default, charter schools in California function as part of their authorizing LEA (or as "schools of the district") which renders them dependent on their authorizer for the special education supports and services. This dependency prevents charters from accessing special education funding, hiring special education staff, participating in SELPA

¹ "Why the Gap? Special Education and New York City Charter Schools", Marcus A. Winters, CRPE, September 2013

² "Understanding the Charter School Special Education Gap: Evidence from Denver, Colorado", Marcus A. Winters, CRPE, June 2014.

³ There is sometimes confusion in the field in regards to charter LEA status for fiscal purposes (which is defined in EC §47651(a) and refers to charters receiving their total general purpose entitlement directly) and LEA for special education purposes. For the purposes of this paper, LEA status refers only to the special education designation as defined in EC §47641(a).

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governance, and designing and implementing their own programs to meet the needs of a broad range of students.

Charter schools in California were first able to become LEAs for special education in 2006 when the State Board of Education approved a pilot program involving 22 schools in 4 SELPAs. In 2010, the pilot status was removed, and charters statewide were allowed to achieve greater autonomy and flexibility in special education through by becoming their own LEAs for special education purposes.

Shortly after, in 2011, the Los Angeles Unified School District (LAUSD) Board of Education approved a reorganization of the LAUSD SELPA, giving increased autonomy and flexibility to charter schools in the areas of funding, service provision and governance in an “LEA-like”⁴ arrangement (called Option 3 or Charter Operated Program). These decisions have altered fundamentally the policy landscape and proven to offer the appropriate structure for charter schools to serve a higher percentage and a broader range of students with disabilities. Additionally, these changes to the policy landscape have allowed charter schools to become fully autonomous in all areas and embrace the innovation that is inherent to the charter school movement.

Charter schools that become LEAs for special education purposes increase the percentage and range of students with disabilities they serve. Charter schools that are LEAs in the El Dorado Charter SELPA, which represent nearly 70% of all charter LEAs in the state, increased the percentage of students with disabilities from 7.5% in 2010-11 to 8.7% in 2013-14 (as compared to 10.3% of K-12 statewide enrollment). Most notably, they have achieved a 55% increase in the percentage of students with more severe disabilities. The gap between the proportion of students with disabilities in LEA charter schools and the average proportion of students with disabilities in K-12 schools statewide has steadily narrowed from 2.4% in 2010-11 to 1.6% in 2013-14.

The number of independent LEA charters for special education purposes increased to over 25% of charters in 2013-14. However, LEA status comes with additional responsibility, liability, and risk, which limits the number of charter schools prepared to take on this option.

⁴ “LEA-like” is a term that CCSA uses to describe an arrangement that allows charter schools similar access to special education funding and responsibility for special education service provision without actually exiting their authorizer’s SELPA and becoming their own LEA for special education.

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LEA-like arrangements, such as Option 3 in LAUSD, allow charters the autonomy to manage their programs and safety to manage their risk. While operating as part of an existing LEA, charters in Option 3 have access to the majority of their funding, participate in the governance structure, have autonomy over service provision, and have access to funding pools to share services and invest in critical special education infrastructure. Similar to charter LEAs for special education, the autonomy provided by LEA-like status allows charter school members to serve a higher percentage of students with disabilities. Between 2010-11 and 2013-14, LEA-like schools increased the percentage of students with disabilities they serve from 8.1% to 10.2% (as compared to 11.7% of district's K-12 enrollment). Overall student enrollment in Option 3 increased by 96%, from 26,164 to 51,251 students; at the same time, the number of students with disabilities grew by 147%, from 2,114 to 5,215 students. There was also a 35% increase in the proportion of students in more severe disability categories.

We are encouraged by the growth in special education in charter schools and offer a number of recommendations to ensure that more charter schools can build the necessary infrastructure to serve all students.

RECOMMENDATIONS

Continue to address systemic barriers to autonomy

Charter schools in California continue to face barriers to autonomy in special education, which has a direct impact on their ability to serve a larger percentage and range of students with disabilities. The vast majority of SELPAs in the state still do not accept charter schools as LEAs for special education due to funding and governance considerations. Charter authorizers have financial disincentives to develop special education programs on charter school sites. Funding levels for special education services vary greatly across the state, and are grossly inadequate. As a result, most charter schools do not have access to special education funding or appropriate services. We recommend that legislators and policymakers address these challenges by providing equitable and adequate special education funding to charter schools and authorizers through a system that prioritizes accountability, local control, and responsiveness to evolving needs

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of students. This recommendation closely aligns with the recommendations of the recently-convened Statewide Special Education Task Force.⁵

Create opportunities to build infrastructure and mitigate risk

Achieving an LEA or LEA-like status removes structural barriers to charter school autonomy in special education. However, it does not create the critical infrastructure needed to provide a full continuum of services. In fact, very few traditional district-operated schools are equipped to serve every student and often rely on the district or SELPA infrastructure for regionalized, specialized, and more costly services. Thus, we recommend that the charter schools that gain special education autonomy work to create economies of scale by establishing charter school consortia and creating service-sharing and risk-sharing structures. Concurrently, we recommend that more local authorizers work with charter schools to create innovative LEA-like arrangements to ensure that charter schools can continue to serve more students with disabilities.

Continue to study the underlying causes of the special education gap and examine connections between school practices and student outcomes

In addition to legal status, the differences in school practices also affect the percentage of students classified for special education.^{1,2} We recommend conducting additional analyses of enrollment over time, identification, intervention, and service provision of special education in charter schools and the impact of those factors on student outcomes. More specifically, we recommend delving into the following questions:

- How do differences in school classification practices and parent choice affect the percentage of students with disabilities in California charters?
- What is the impact of Multi-Tiered Systems of Support, Response to Intervention, or other innovative and proactive service-delivery models on identification rates and student outcomes? ⁶

⁵ One System: Reforming Education to Serve All Students, Report of California's Statewide Task Force on Special Education, March 2015.

⁶ This question is of particular interest as it also echoes the priority areas in the Task Force report.

CHARTER SCHOOLS AND SPECIAL EDUCATION

Charter Schools and Special Education

Special education in charter schools is one of the major hot-button issues in the education debate both in California and across the nation. Despite impressive gains that California charter schools have shown over the years by generating extra weeks and months of learning for traditionally underserved students⁷, the provision of special education (or lack thereof) still remains a point of contention between charter school advocates and opponents. In fact, one cannot have a conversation about charter schools without someone inevitably stating, “But charter schools do not serve students with disabilities, right?”

Contributing to this misperception are excerpts from major publications, which are peppered with misguided quotes such as:

“In Oakland, the nearly 40 charter schools educate relatively few of Oakland’s highest-needs students [...] This means that charter schools can have a financial and academic edge over traditional public schools, given that special-needs students typically require costly services and post test scores and graduation rates well below other students”⁸

And even seemingly independent research groups cannot resist issuing sweeping condemnations (based on a sample size of just 25 students), such as:

“Only 20 percent of students classified as requiring special education services who started kindergarten in charter schools remained in the same school after three years.”⁹

⁷ Center for Research on Education Outcomes (CREDO), *Charter School Performance in California*, Stanford University, February 2014

⁸ “Oakland: Fewer special-needs students in charter schools”, Jill Tucker, San Francisco Chronicle, November 18, 2013. This article does not take into account that nearly half of the charter schools in Oakland function as schools of an LEA for special education and have no authority over their special education programs. Furthermore, charter schools contribute a substantial amount of money (nearly \$900 per student) to districtwide special education costs. Charters that have left their district SELPA and achieved LEA status for special education are approaching the statewide average percentage and range of students with disabilities.

⁹ “Staying or Going? Comparing Student Attrition Rates at Charter Schools with Nearby Traditional Public Schools”, New York City Independent Budget Office, January, 2014. Following the study, New York City Charter School Center CEO James Merriman said the study included a sample of just 25 charter students with special needs. In January of 2015, after completing an additional year of research, the NYC IBO issued a report completely reversing their previous findings and admitting that students with disabilities actually remained at their charter schools at a higher rate than similar students at nearby traditional public schools.

CHARTER SCHOOLS AND SPECIAL EDUCATION

What fuels this debate? Generally, it is the prima facie comparison of average enrollment levels of students with disabilities between traditional and charter public schools. The challenge with such comparisons is that they do not take into account specific policy landscapes in which charter schools operate or acknowledge that the charter school sector does not serve students beyond K-12, while the traditional sector does.

Comparisons of enrollment of students with disabilities between traditional and charter sectors do not take into account specific policy landscapes in which charter schools operate or examine the factors that contribute to these differences.

Most damaging, however, is that enrollment comparisons do not provide any insight into the factors that create these differences.

In 2012, the Government Accountability Office (GAO) published a report stating that charter schools nationwide enrolled a lower percentage of students with disabilities than traditional public schools (8.2% compared to 11.2%).¹⁰ The GAO itself acknowledged, “Little is known about the factors contributing to these differences.” Critics assume that it is due to charter schools “counseling out” difficult-to-serve students. They insist that charter schools knowingly, maliciously, and systemically refuse access to those students who need it most. If that were the case, it would be a civil rights issue deserving of public outrage and policymakers’ immediate, undivided attention. However, before we legislate special education enrollment targets¹¹ or call for a moratorium on charter schools, let us carefully examine the reasons behind the discrepancy. This closer look is necessary to help us move away from a place of pointing fingers and to a place where we can make meaningful, sustainable gains for our state’s most vulnerable students.

A small handful of studies related to special education in charter schools have been conducted in recent years. A report titled “Why the Gap? Special Education and New York

¹⁰ Charter Schools: Additional Federal Attention Needed to Help Protect Access for Students with Disabilities, June 2012

¹¹ In 2010, the New York State Charter Schools Act was amended to require charter authorizers to set enrollment and attendance targets for students with disabilities. Critics of the law suggest that it creates “perverse incentives” for charter schools to “over-identify” students in high-needs categories. (See New York State Special Education Enrollment Analysis, CRPE, 2012)

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City Charter Schools”¹² by the Center for Reinventing Public Education (CRPE) examines the classification and mobility rates of a large sample of students with IEPs across public school sectors (traditional and charter). The analysis reveals several groundbreaking findings:

- 1) “Students with disabilities [...] are less likely to apply to charter schools in kindergarten than are regular enrollment students;” and
- 2) “Charter schools are less likely than district schools to classify students as in need of special education services and more likely to declassify them.”⁶

Further, the study undermines the myth that charter schools systemically refuse to admit or consistently push out students with special needs. In fact, the study reports, “more students with previously identified disabilities enter charter schools than exit them as they progress through elementary grade levels.”⁶

A study in Denver shows a similar gap in special education enrollment between traditional and charter schools, and “like in New York City, that gap has little to do with students with special needs leaving charter schools.”¹³

Research indicates that charter schools are not refusing to admit or pushing out students with special needs. In fact, more students with disabilities enter charter schools than exit them.

Again, the study finds that the enrollment gap is largely attributable to parent choice and school practices for classifying and educating students with differing needs.

The factors described above provide great insight as we begin to grasp the underlying causes for the “special education gap” between the traditional and charter public school enrollment of students with disabilities. This report will build upon the growing body of research by examining another variable that affects enrollment of students with disabilities in charter schools. That variable is sometimes referred to as a “legal

¹² “Why the Gap Special Education and New York City Charter Schools”, Marcus A. Winters, CRPE, September 2013.

¹³ “Understanding the Charter School Special Education Gap: Evidence from Denver, Colorado”, Marcus A. Winters, CRPE, June 2014.

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identity”¹⁴—which indicates the level of dependency of a charter school on its authorizer as it relates to special education. The current federal law¹⁵ allows a charter school to be either (1) part of a Local Education Agency (LEA) or (2) an independent LEA, depending on the state in which it is located. The option the charter school belongs to has significant implications for access to special education funding, ability to build special education infrastructure, and authority over placement decisions for students with disabilities.

California is one of only two places in the nation (D.C. is the other) where charter school law permits schools to choose their legal identity.¹⁶ This unique flexibility positions us to examine the implications of that legal identity on the percentage and range of students with disabilities enrolled in California charter schools and to contribute another perspective to this critical debate.

¹⁴ “Special Education Challenges and Opportunities in the Charter School Sector”, Lauren M. Rhim, CRPE, February 2008

¹⁵ 34 CFR Section. 300.312

¹⁶ CA Ed Code §47641

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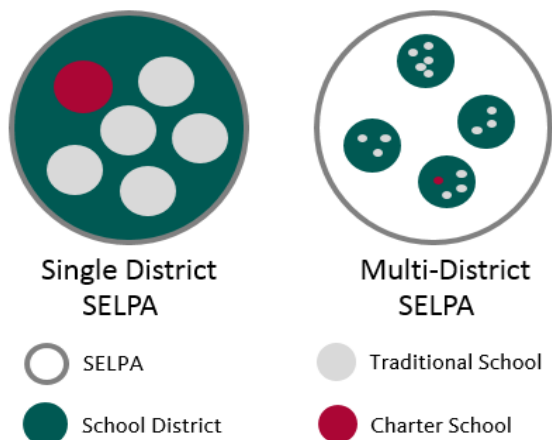
Overview of Policy Landscape

SPECIAL EDUCATION STRUCTURES IN CALIFORNIA

The state of California has a unique structure for funding and delivering services for students with disabilities. In 1977, as part of California’s Master Plan for Special Education, all Local Education Agencies (LEAs) were mandated to form Special Education Local Plan Areas (SELPA), or intermediate administrative entities that function as consortiums within specific geographic areas. The SELPAs support member LEAs in the implementation of Individuals with Disabilities Education Act (IDEA) and related legal requirements associated with special education and ensures that all students with disabilities have access to the necessary range of educational programs. It is important to note that the term “LEA” is sometimes applied to charter schools for fiscal purposes, denoting those charters that receive their general purpose entitlement directly as opposed to indirectly through their authorizing or appointed LEA.¹⁷ For the purposes of this paper, LEA status will only refer to the charter school special education designation.

A SELPA may consist of a single school district (“single district SELPA”) or a group of school districts or county offices of education (“multidistrict SELPA”) (See Figure 1). There are currently approximately 127 SELPAs that are made up of about 1200 LEAs in the State.

Figure 1: California SELPA Structure



State and federal funding for special education flow through these SELPAs, and each SELPA develops a unique local plan for allocating these funds to their member LEAs. Receiving a portion of the SELPA funding, each LEA delivers special education services via a combination of in-school personnel, SELPA or district-level resources, and contracted service providers. The SELPA structure was developed prior to the growth of charter

¹⁷ CA EC §47651(a)

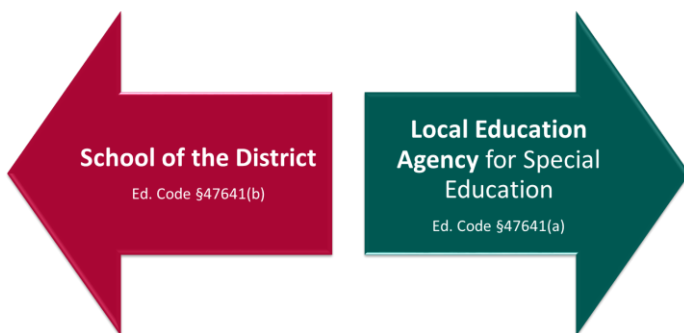
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schools and, in many cases, has proven to be a barrier to the growth of special education populations within charters.

SPECIAL EDUCATION OPTIONS FOR CHARTER SCHOOLS

Similar to traditional district-operated public schools in the state, every California charter school must be a member of a SELPA. However, the nature of that relationship depends on the special education legal identity of the charter school.

Under California law, charter schools have two options for special education: operating as part of a Local Education Agency (LEA) or as an independent LEA for special education.¹⁸



By default, all charter schools operate as schools of their authorizing LEA (or “schools of the district”) and participate in the SELPA in which their authorizer is a member.¹⁹ LEA status and responsibility to provide special education services to students in the charter school remains with the

district unless agreed to otherwise. This legal identity has major implications for charter schools for the following reasons:

- Since the district carries all responsibility for special education, it also retains all of the special education funding for charter school students. Additionally, charter schools are typically asked to contribute to the district-wide special education costs out of their general education funds. This contribution can reach over \$1,500 for each student enrolled in the school, regardless of their special education status, which can have an overwhelming fiscal impact on small charters as compared to larger districts.²⁰
- In the “school of the district” arrangement, charter schools depend completely on their authorizers for the special education portion of their program. They are unable to hire special education personnel, determine student placement or

¹⁸ Education Code §47641

¹⁹ §47641(c)

²⁰ In San Diego Unified School District, the amount of charter contribution for 2014-15 is approximately \$1,500 per Average Daily Attendance (ADA).

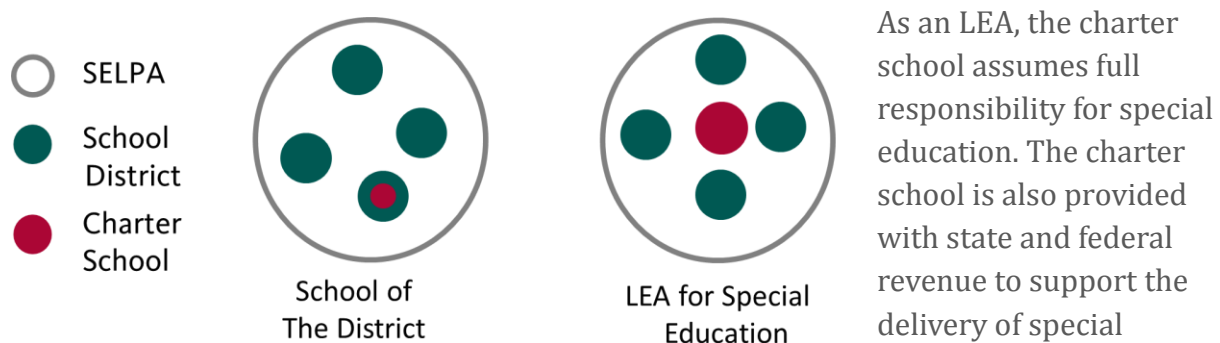
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design innovative special education programs that allow them to serve a broad range of student needs as they are bound to the policies and practices of their authorizer.

- As “schools of the district”, charter schools are also unable to participate in the governance of their SELPA and thus are precluded from having any influence over decision making that affects their school.
- Charter schools in these arrangements often experience difficulty securing appropriate, timely and consistent special education services for their students due to the districts’ own financial and staffing constraints.²¹
- Finally, this arrangement effectively denies students with disabilities the choice of educational options available to their peers. Very few traditional district-operated schools are equipped to serve every student and often rely on the district infrastructure to provide the more specialized and costly services. Thus, rather than create new special education programs on charter school campuses, school districts opt to serve charter school students in existing district programs. Consequently, many students are referred back to district programs when they require a higher level of service than what is available at a charter school.

This combination of programmatic constraints has pushed charter schools to seek alternative arrangements that offer more flexibility and autonomy in special education. California law allows charter schools to obtain this autonomy by operating as an independent LEA for special education purposes.²² (See Figure 2)

Figure 2: Charter School Options



²¹ Based on numerous requests for assistance made to California Charter School Association’s special education team.

²² § 47641(a)

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education services²³ as well as an opportunity to participate in SELPA governance. However, becoming an LEA for special education requires a charter school to exit the authorizer's SELPA and become accepted as an independent entity in another SELPA.

While California law requires that a request by a charter school to join a SELPA be treated in the same manner as a similar request from a traditional school district,²⁴ many SELPAs do not allow charter schools to participate in the SELPA in this capacity. This was in large part due to financial disincentives created by the state's special education funding provisions as well as concerns about how to fit single-site charter schools, along with much larger districts into a SELPA governance structure that prioritizes equal representation.²⁵ Furthermore, historically, charters were required to stay within the geographic boundaries of their SELPA and were prohibited from seeking membership in a SELPA outside of their region. Without a membership in a SELPA, charter schools were forced to remain "schools of the district" for special education purposes. As such, they were limited in the special education services they could provide and the students they could serve.

²³ Approximately \$650 per student, depending on the SELPA.

²⁴ § 47645

²⁵ L. M. Rhim and P. T. O'Neill, "Improving Access and Creating Exceptional Opportunities for Students with Disabilities in Public Charter Schools", National Center for Special Education in Charter Schools, October 2013

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Changes to Policy Landscape

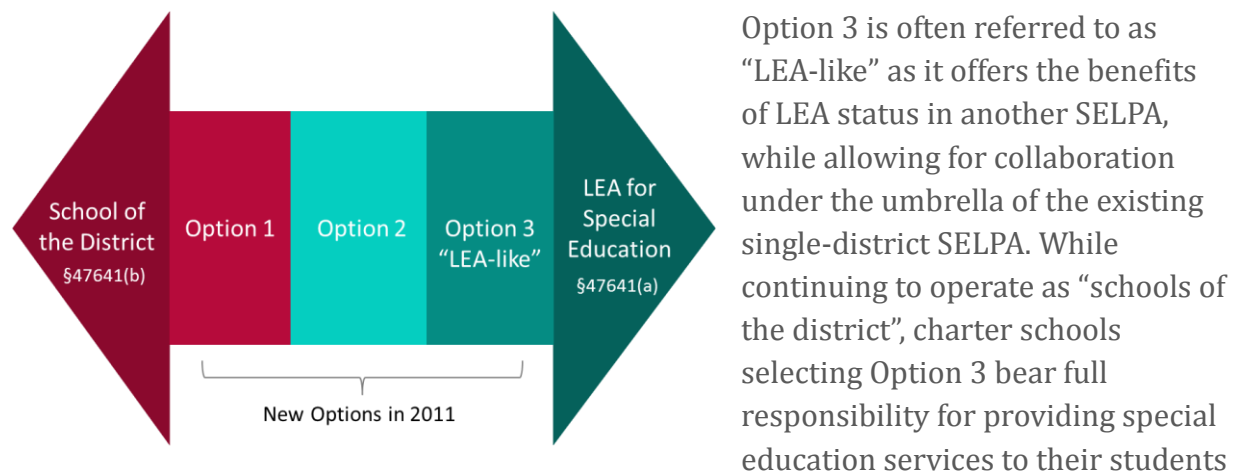
CREATION OF ACCESSIBLE OPTIONS FOR CHARTERS

In 2006, the California State Board of Education (SBE) began investigating whether geographic proximity to a SELPA was necessary to provide students with the appropriate special education services. To this end, the SBE established a pilot program allowing for 22 out-of-geographic region charter schools to become members of one of four pilot program SELPAs: El Dorado County, Yuba County, Lodi Area Special Education Region, and Desert Mountain. Following successful implementation of the pilot, in 2010 the SBE lifted the pilot status allowing all charter schools the option of applying for LEA status for special education purposes through independent membership in a SELPA.

CREATION OF AN “LEA-LIKE” OPTION

In 2011, the LAUSD reorganized its SELPA and created a model for combining charter autonomy and flexibility with special education infrastructure. The new SELPA structure created a continuum of options for charter schools, ranging from least autonomous (Option 1) to most autonomous (Option 3/Charter Operated Program). (Figure 3)

Figure 3: LAUSD Continuum of Options



in exchange for receiving a large percentage of state and federal special education funding. As specified in the education code²⁶, charter schools that are members of Option 3 still contribute to overall district special education costs, however, they do it through an

²⁶ EC §47646

CHANGES TO POLICY LANDSCAPE

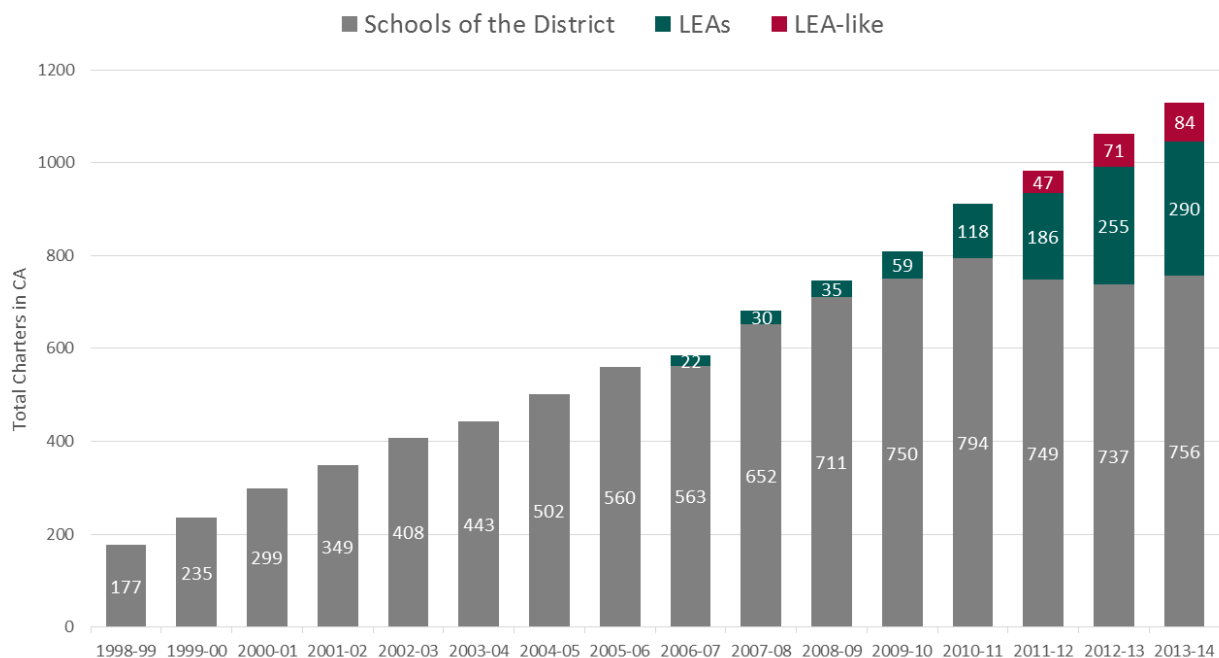
arrangement that offers benefits to both the district and the charters with a careful balance of responsibility and funding. The innovative fiscal arrangement between the charters and the authorizer allows charter schools to establish various shared funding pools that support growth in programs for students identified with moderate to severe disabilities and supplement non-public school costs and/or costs of due process. The Option 3 structure also allows charters to invest in critical special education infrastructure and take advantage of the economies of scale not possible with LEA status alone.

CHANGES TO POLICY LANDSCAPE

GROWTH IN LEA AND LEA-LIKE ARRANGEMENTS

Just a short time ago the vast majority of charter schools in California were completely dependent on their authorizers for special education. With the growth in LEA and LEA-like arrangements, over 30% of all charter schools, or nearly 50% of autonomous charters²⁷, now have access to a range of options for developing special education expertise, building program capacity, and bolstering special education service provision demonstrating that charter schools will embrace the opportunity to serve all students when given an equitable arrangement. (See Figure 4)

Figure 4: Growth in LEA and LEA-like Charters for Special Education



²⁷ The California Charter Schools Association defines fully autonomous charter schools as those that have an independent board of directors, do not operate under the local school district's collective bargaining agreement, are directly funded by the state (as opposed to indirectly funded through the local school district).

Connecting Policy and Data

The growth of charter schools in LEA and LEA-like arrangements in California presents a unique opportunity to examine how a charter school's legal identity impacts the percentage and range of students with disabilities it serves.²⁸ This study could not have been conducted until recently due to the lack of a significant body of longitudinal data regarding the enrollment of students with disabilities in LEA and LEA-like charters (LEA option was not available to most charters until 2010 and LEA-like option in LAUSD started in 2011).

METHODOLOGY

The hypothesis for the study is as follows: 1) Charter schools that operate as “schools of the district” for special education purposes face barriers to serving students with disabilities; and 2) Once those barriers are removed by achieving LEA or LEA-like status, charter schools will increase the percentage of students with disabilities and range of disabilities served over time. The analyses in this study were carried out using a large sample of longitudinal data for LEA charters provided by the El Dorado County Charter SELPA (or EDCOE Charter SELPA) and LAUSD Option 3 (or LEA-like charters).²⁹

The analyses show the percentages of students with disabilities served by participating LEA or LEA-like member schools and school cohorts. The study also examines the proportion of students by incidence of disability and draws comparisons of the relative proportion of disability categories over time. Finally, the study runs a linear regression model that measures the relationship between the length of time operating as an LEA and the percentage of students with disabilities served.

²⁸ While similar studies could be conducted in other states, it would be very difficult to control for other variables including authorizing structures, special education funding models, and a host of differing policies and regulations that govern the provision of special education.

²⁹ El Dorado has been part of the original LEA pilot, so its dataset contains information on LEA charter schools dating back to 2006-07. The LAUSD data set contains data on LEA-like schools since 2010-11.

ANALYSES AND FINDINGS

Analyses and Findings

ANALYSIS OF LEA FOR SPECIAL EDUCATION CHARTERS

The El Dorado Charter SELPA LEAs represent nearly 70% of all charters in California that were LEAs for special education in 2013-14.³⁰ The SELPA began in 2006 with 10 charter schools serving approximately 2,600 students. By the 2013-14 school year, the SELPA had grown to include 192 charter schools serving over 88,000 students.

Figure 5 below represents the percentage of students with disabilities served by charters from 2006-07 to 2013-14 school years. The percentage of students with disabilities was obtained by dividing the total number of students with disabilities enrolled in the LEA schools³¹ by the total enrollment³² in these schools each year. The graph also shows the proportion of students with higher-incidence (those that occur more frequently and are typically milder) and lower-incidence disabilities³³ (those that occur less frequently and are typically more severe). For comparison purposes, the graph also shows the statewide K-12 enrollment³⁴ of students with disabilities over time. The gap between the proportion of students with disabilities in LEA charter schools and statewide K-12 average proportion of students with disabilities has steadily narrowed from 2.4% in 2010-11 to 1.6% in 2013-14.

³⁰ Our analysis for each year does not include charter LEAs for special education outside of El Dorado Charter SELPA due to the fact that their data was not accessible to us.

³¹ Reported in the California Special Education Management Information System (CASEMIS)

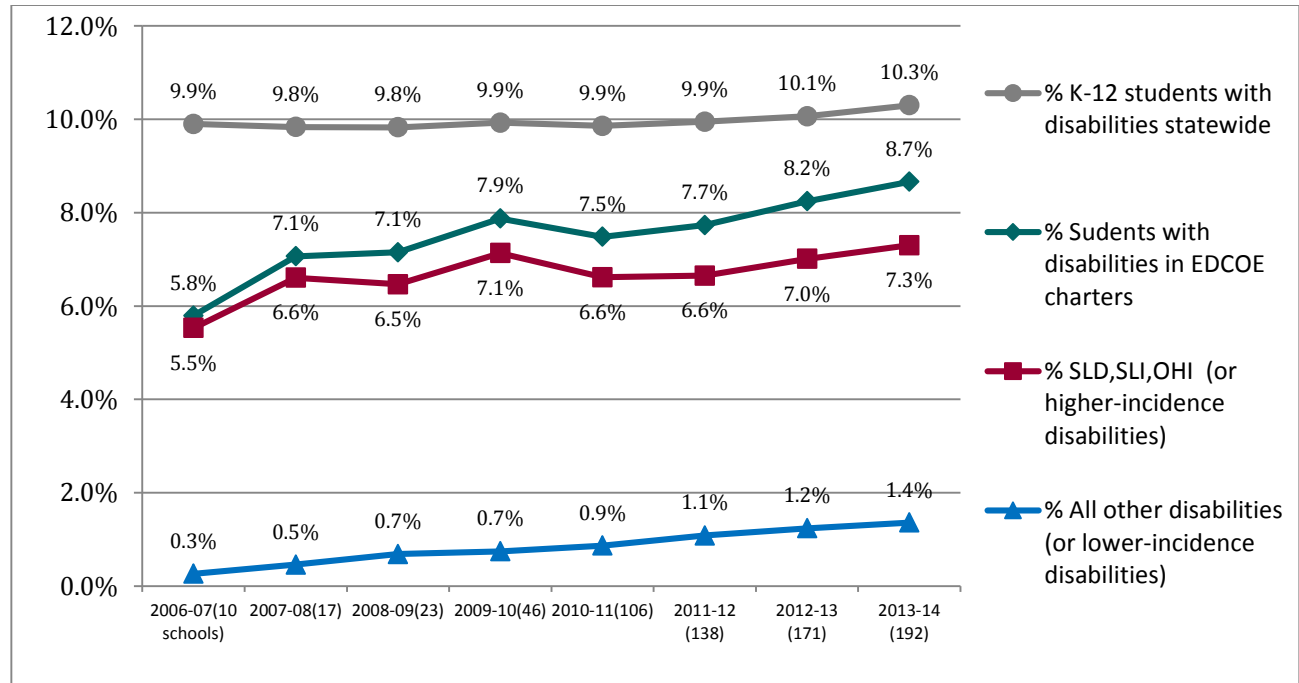
³² Reported in the California Basic Educational Data System (CBEDS)

³³ For the purposes of this study, the term “lower incidence” is different from “Low incidence disability” defined in the CA Education Code §56026.5. It represents all disability categories excluding Specific Learning Disability (SLD), Speech and Language Impairment (SLI) and Other Health Impairment (OHI). This methodology matches the one used by the Office of the Independent Monitor in LAUSD and was chosen for consistency and ease of comparison.

³⁴ Statewide K-12 enrollment was obtained by retrieving overall enrollment and enrollment of SWD by grade from CDE DataQuest, <http://dq.cde.ca.gov/dataquest> and subtracting ungraded students. This methodology is used to make a more equitable comparison as El Dorado charter schools do not serve students beyond K-12.

ANALYSES AND FINDINGS

Figure 5: Percentage of students with disabilities in EDCOE LEAs



The percentage of students with disabilities in LEA charters has increased from 5.8% in 2006-07 to 8.7% in 2013-14. Most notably, the percentage of students with more severe (lower-incidence) disabilities accounted for a large proportion of the increase (0.3% to 1.4%). When considering just the last 4 years, the percentage of students with disabilities has grown from 7.5% to 8.7%. What's more, the rate of growth in special education enrollment has outpaced the growth in general education enrollment. The overall enrollment in LEA schools has grown by 119% (from 40,431 in 2010-11 to 88,541 in 2013-14) while the special education enrollment increased by 154% (from 3,025 students in 2010-11 to 7,670 in 2013-14).

When analyzing data by school cohorts³⁵, we saw that schools that operated as LEAs for longer periods of time tended to serve higher percentages of students with disabilities. (For detailed cohort data, see Appendix 1). To examine the value of the relationship between length of time as an LEA and the percentage of students with disabilities served,

³⁵ Cohorts were identified based on the year schools joined the El Dorado Charter SELPA (i.e. the 2009-10 cohort represents only the schools that joined the SELPA in 2009-10 and remained operational through 2012-13)

ANALYSES AND FINDINGS

we ran a baseline regression model as well as four robustness tests. The independent variable is the number of years a charter school has been an LEA as of 2012-13³⁶; the dependent or outcome variable is the change in the percent of students with disabilities from when the school first became an LEA to 2012-13 or the last year the school was open. The regression measured the change in the percentage of students with disabilities as the number of years operating as an LEA increased.

The baseline model finds that every additional year a charter school has been an LEA is related to a 0.4% greater increase in the percent of its student body who have disabilities (detailed descriptions of these analyses can be found in Appendix 3). This statistically significant relationship becomes substantial

Charter autonomy in special education correlates to a higher percentage and a broader range of students with disabilities served over time.

when we consider the cumulative impact over multiple years. A charter that was an LEA for seven years will tend to see a 2% greater increase in the percent of students with disabilities than a charter that was only an LEA for two years. To illustrate this with an example, a charter school of 500 students, serving 35 students with disabilities (7%) when it becomes an LEA, brings its population of students with disabilities up to 45 students (9%) after 5 years.³⁷ The school builds its capacity to serve more students over time; the development of programs and services happens in response to the needs of students that come through the door. This analysis demonstrates that more autonomy in special education is correlated with an increase in the charter school's proportion of students with disabilities. However, this increase does not happen overnight. Any new LEA requires time to develop infrastructure and capacity in response to the evolving needs of its students.

We also looked at the breakdown of the population of students with disabilities by disability category over time (See Figure 6). There is a significant increase in the proportion of students with a primary disability category of Autism, Emotional Disturbance, Intellectual Disability, Hard of Hearing, and Visual Impairment. Particularly

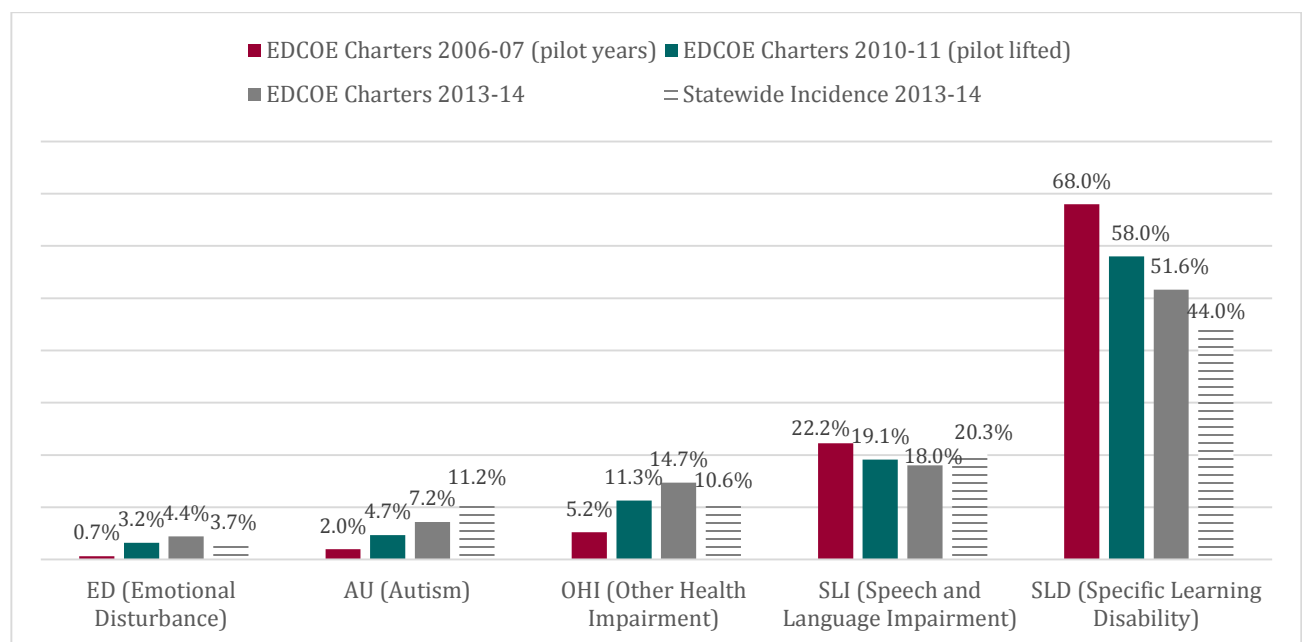
³⁶ This analysis was conducted prior to the availability of 2013-14 data.

³⁷ Assuming the overall enrollment remains constant.

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notable is the increase of proportion of students identified with Autism (from 4.7% of students with disabilities in 2010-11 to 7.2% of students with disabilities in 2013-14) and Emotional Disturbance (from 3.2% of students with disabilities in 2010-11 to 4.4% of students with disabilities in 2013-14). For comparison, in December of 2013, the statewide incidence of Autism in the grades K-12 was 11.2%, and incidence of Emotional Disturbance was 3.7%.³⁸

Figure 6: Disability Categories in El Dorado Charter LEAs (2006 to 2013 change)

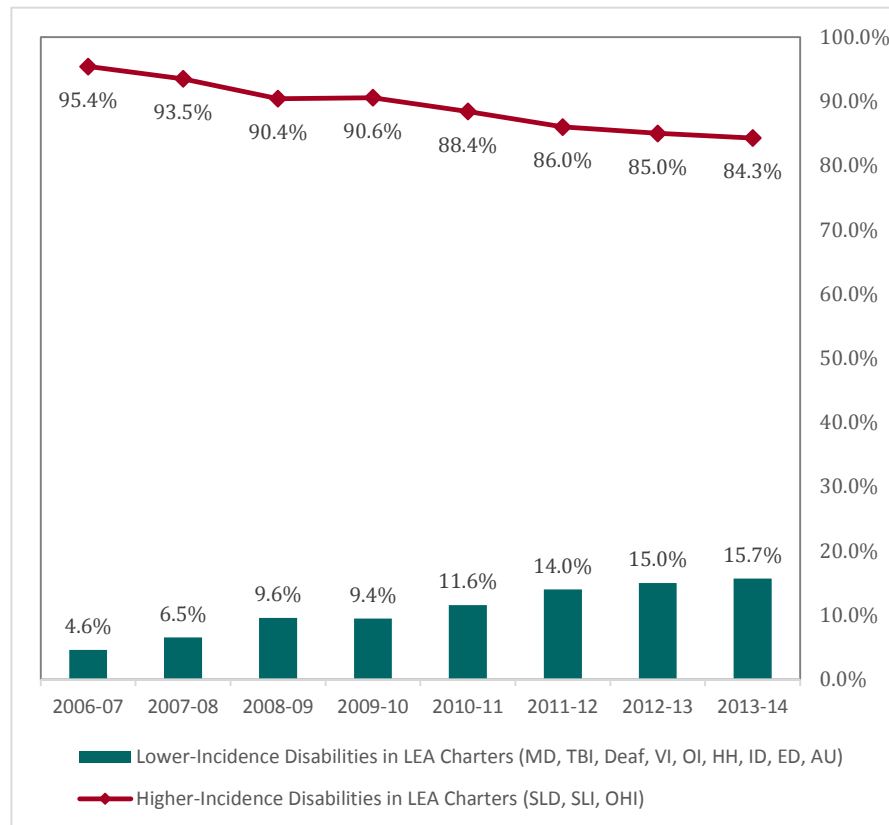


Simultaneously, the proportion of students identified with Specific Learning Disability declined (from 58% of the total students with disabilities in 2010-11 to 51.6 % of students with disabilities in 2013-14). For comparison, the statewide proportion of students with Specific Learning Disability eligibility is 44%.²¹ (Information on the proportion of students in each eligibility category can be found in Appendix 2). This drop in the percentage of students with SLD is correlated with a proportionate increase in the percentage of students with lower-incidence disabilities. Figure 7 depicts the trend in the proportion of students with higher- and lower-incidence disabilities.

³⁸ Retrieved from CDE DataQuest, December 1, 2012 CASEMIS <http://dq.cde.ca.gov/dataquest>

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Figure 7. EDCOE Charter SELPA Proportion of Students with Higher-Incidence and Lower-Incidence Disabilities³¹



To examine the trends in the proportion of more difficult-to-serve students within the population of students with disabilities, we have disaggregated the population of students with IEPs into higher-incidence and lower-incidence categories.³¹ This analysis shows a steady increase of the proportion of students with more severe disability types and a

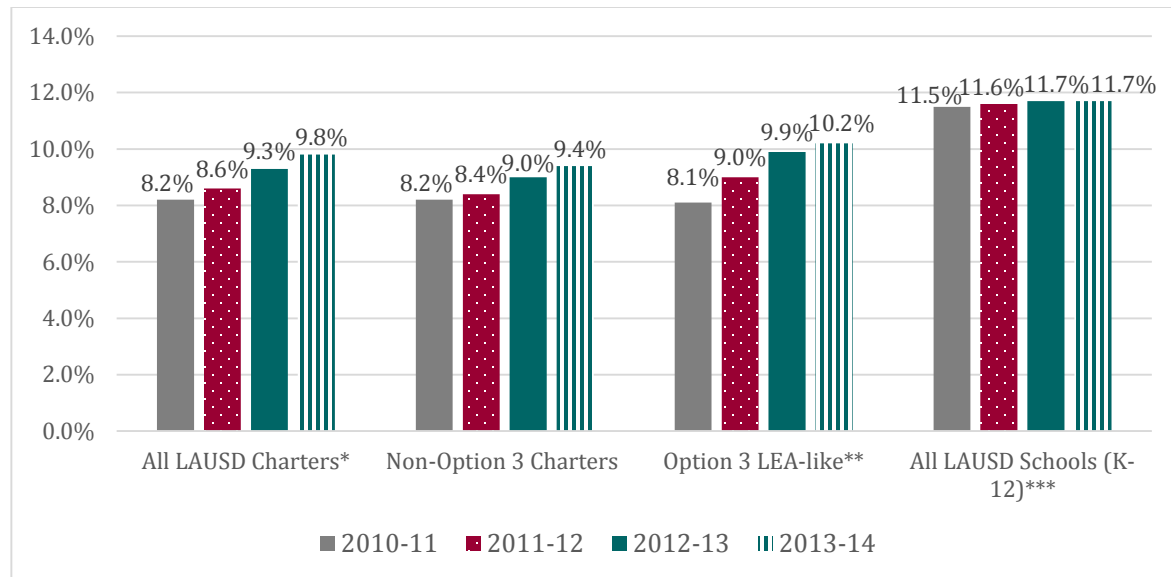
correlated decline in the proportion of students with milder disability types. In 2010, only 11.6% of charter school special education population in the SELPA was identified with lower-incidence disabilities; by 2013, their proportion has grown to 15.7% of the special education population.

ANALYSIS OF LEA-LIKE CHARTERS

The analysis of LEA-like charters is based on data from the LAUSD Option 3/Charter Operated Program arrangement described in the Policy Environment section of the report. The first cohort of LEA-like charters included 47 schools; the membership grew to 71 schools in the 2012-13 and to 82 schools in 2013-14. Figure 8 below depicts the percentages of students with disabilities served by independent charter schools and traditional district-operated schools in LAUSD.

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Figure 8: Percentage of Students with Disabilities in LAUSD Schools



Since the creation of Option 3, its member charter schools increased the percentage of students with disabilities they serve from 8.1% to 10.2%. The overall student enrollment in Option 3 schools has increased by 96%, from 26,164 to 51,251 students; at the same time, the number of students with disabilities has grown by 147%, from 2,114 to 5,215 students.³⁹ Unlike El Dorado LEAs that are located throughout the state, Option 3 LEA-like charters are compared to enrollment in LAUSD, in an effort to take into account regional demographics (For more information see Appendix 4). The gap in the proportion of students with disabilities enrolled in Option 3 charter schools as compared to K-12 district enrollment has narrowed from 3.4% in 2010-11 to 1.5% in 2013-14.

In addition to the increase in the percentage of students with disabilities in Option 3 charters, there is also an increase in the range of disabilities represented (See Figure 9). The percentage of students with lower-incidence or more severe disabilities has

³⁹ According to LAUSD SELPA data from the spring pupil count in 2011, 2012, 2012, and 2014 (Welligent and CASEMIS) provided by the Special Education Division

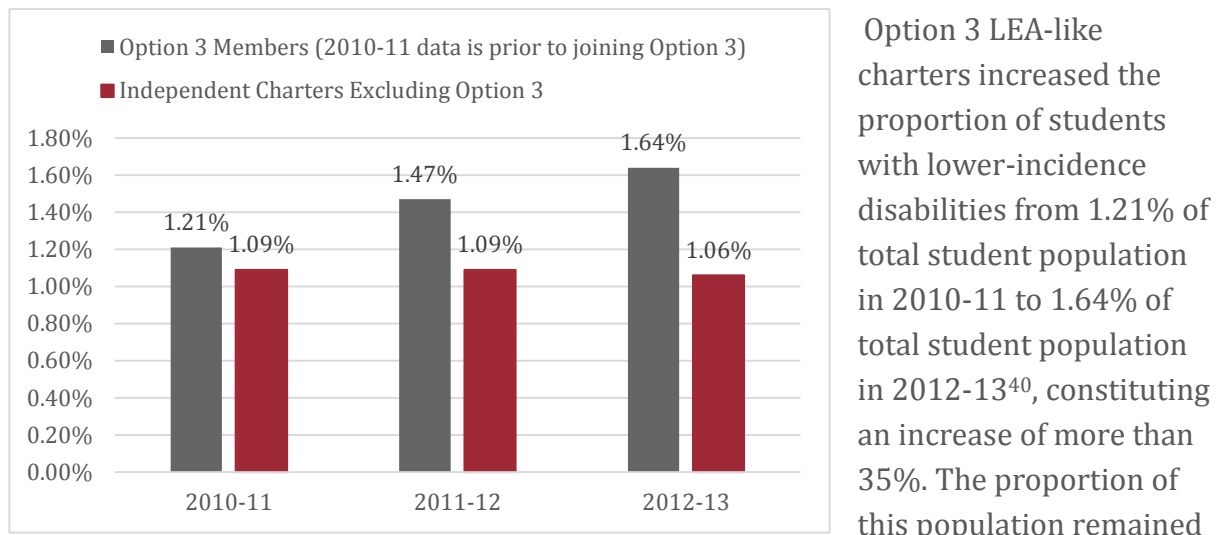
* 2010-11 data is prior to Joining Option 3

** Data was obtained by retrieving total enrollment and enrollment of SWD by grade from CDE DataQuest, <http://dq.cde.ca.gov/dataquest> and subtracting ungraded students. This methodology is used to make a more equitable comparison as LAUSD charter schools generally do not serve students beyond K-12. Thus, only district students in grades K-12 were included.

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increased at a higher rate in Option 3 schools (as compared to other independent charters).

Figure 9: Percentage of Students with Lower-Incidence Disabilities in LAUSD Charters



While these percentages may not seem to represent a significant increase, lower-incidence disabilities are, in fact, relatively uncommon. To illustrate the actual changes in the proportion of disability types served by Option 3 schools, we've analyzed the composition of the population of students with disabilities between 2010-11 and 2012-13 (See Figure 10). The largest changes are evident in the shrinking proportion of students identified with Specific Learning Disability (from 62.3% down to 58.9%), and an increasing proportion of students identified with Other Health Impairment (from 13.6% to 15.9%) and Autism (from 7.1% to 9.4%).

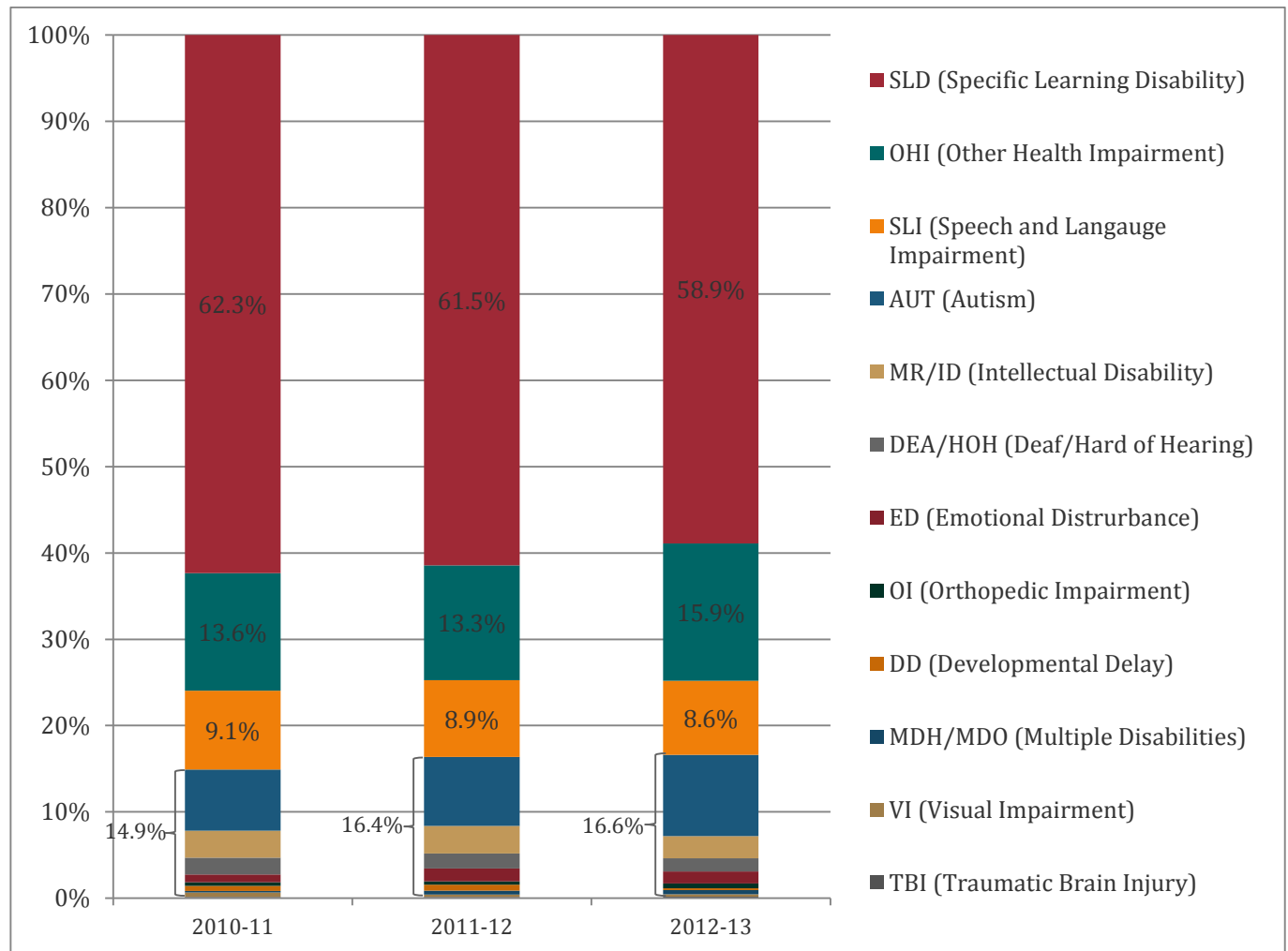
For comparison, in December of 2012, the LAUSD K-12 incidence of Autism was 14%, incidence of Other Health Impairment was 10.7% and incidence of Specific Learning Disability eligibility was 51.3%, according to CDE.⁴¹ (For more incidence data, see Appendix 4.)

⁴⁰ 2013-14 data that was provided by LAUSD was from a different reporting period and thus not included in this comparison.

⁴¹ Retrieved from CDE DataQuest, December 1, 2012 CASEMIS <http://dq.cde.ca.gov/dataquest>

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Figure 10: Comparison of Disability Categories over Time (LAUSD Option 3)



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The trends in LEA-like schools mirror the trends seen in LEA schools. The data points indicate that charter schools that achieve more autonomy and responsibility in special education through an LEA for special education or LEA-Like arrangement, serve a higher percentage and a broader range of students with disabilities over time.

⁴² 2013-14 data from the LAUSD Special Ed Division was provided for the December 1st reporting period versus April 15th reporting period as used in previous years; thus, it was omitted to preserve the integrity of the comparison.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions and Recommendations

CONCLUSIONS

- Intended as models for innovation, charter schools are uniquely designed to provide individualized support to all students – including those with exceptional needs. However, statewide policies for special education governance and funding have historically deprived charter schools of the autonomy and flexibility necessary to design and implement innovative special education programs and services for all students. In turn, charter schools have been limited in their ability to serve a representative population of students with disabilities. The policy environment shifted in 2010 when the State Board of Education approved an option that allowed more charters to separate from their authorizer and become their own LEAs for special education. A major local policy shift also happened in Los Angeles Unified around the same time, when the district created a semi-autonomous “LEA-like” option for charters.
- **One of the primary contributing factors for the special education gap in California between traditional and charter public schools is the presence of structural barriers that dictate a charter school’s legal identity.** Charter schools that operate as “schools of the district” for special education are completely dependent on their authorizer for the special education portion of their program. This dependency prevents charters from accessing special education funding, hiring special education staff, participating in governance, and designing and implementing their own programs that allow them to meet the needs of all of their students.
- Charter schools that achieve autonomy in special education through LEA status increase the percentage and range of students with disabilities they serve. In El Dorado Charter SELPA LEAs for special education, **the percentage of students with disabilities increased from 7.5% in 2010-11 to 8.7% in 2013-14.** Most notably, there has been a 55% increase in the percentage of students with most severe (lower-incidence) disabilities.

CONCLUSIONS AND RECOMMENDATIONS

- The increase in the percentage and range of students with disabilities happens incrementally over time, as charters begin to develop their own special education infrastructure and expertise as independent LEAs for special education. Our research indicates that the longer a school operates as an LEA, the higher the percentage of students with disabilities served. **After 5 years as an LEA, the average increase in population of students with disabilities is 2% of the total student population.**
- Charter schools that operate in an LEA-like arrangement show similar gains. Schools that have achieved more autonomy in LAUSD by joining Option 3, have increased the percentage of students with disabilities they serve by from 8.1% to 10.2%. The overall student enrollment in Option 3 schools has increased by 96%, from 26,164 to 51,251 students; at the same time, the number of students with disabilities has grown by 147%, from 2,114 to 5,215 students. **The percentage of students with more severe needs has increased by 35%.**
- Approximately 30% of all charter schools or nearly 50% of autonomous⁴³ charter schools in California have achieved LEA or LEA-like status in nearly 30 (out of about 130) SELPAs across the state. While much progress has been made, there is a lot more work to be done to ensure that more charter schools have the needed infrastructure and flexibility to serve the needs of all students.

RECOMMENDATIONS

- **Continue to address systemic barriers to autonomy**
Charter schools in California continue to face the following barriers to autonomy and responsibility in special education, which have a direct impact on their ability to serve a larger percentage and range of students with disabilities:
 1. Charter schools operating as “school of the district” are dependent on their authorizer for special education, and have little to no control over the provision of special education. At the same time, many charter schools

⁴³ The California Charter Schools Association defines fully autonomous charter schools as those that have an independent board of directors, do not operate under the local school district’s collective bargaining agreement, are directly funded by the state (as opposed to indirectly funded through the local school district).

CONCLUSIONS AND RECOMMENDATIONS

cannot leave their authorizing district to become their own LEAs for special education due to small size, limited capacity to provide a full continuum of services, and significant financial risk.

2. The vast majority of SELPAs in the state still do not accept charter schools as LEAs for special education.
3. Charter authorizers have financial disincentives to develop special education programs on charter school sites due to their own fiscal and staffing constraints caused by inefficiencies in state and federal special education funding models.
4. Funding levels for special education services vary greatly across the state and are grossly inadequate.

We recommend that legislators and policymakers address these challenges through removing financial disincentives to SELPAs for accepting charter LEAs and through encouraging development of innovative structures that would allow charters access to equitable special education funding and representation in governance.

One way to affect change in this area is by developing flexible and adaptable funding models grounded in local control and accountability. Currently, special education revenue calculations are based on prior year enrollment and do not provide timely adjustments to funding when there are significant changes in service needs. A similar issue is created by the fact that growing and declining enrollment is adjusted at the SELPA level, which prevents more targeted funding systems to LEAs, both district and charter.

Another issue that requires action is the disparity of funding rates across the SELPAs. It is critical that charter schools have access to adequate and equitable funds for special education programs regardless of the region they set out to operate in. Both of these recommendations are closely aligned with the recommendations developed by the Statewide Special Education Task Force, which proposes to re-design the special education funding system to achieve greater equity, accountability, and local control.⁴⁴

⁴⁴ One System: Reforming Education to Serve All Students, Report of California's Statewide Task Force on Special Education, March 2015.

CONCLUSIONS AND RECOMMENDATIONS

We further recommend that local authorizers and SELPAs seize the tremendous opportunity to empower charters to serve a higher percentage and broader range of students and to truly add value to the local options for families as part of the authorizer's continuum of programs. This can be achieved through partnering with charter schools to develop more flexible LEA-like special education arrangements that balance charter schools' access to special education funding with responsibility for providing services.

- **Create opportunities to build infrastructure and mitigate risk**

Achieving an LEA status removes structural barriers to charter school autonomy in special education. However, removal of those barriers alone does not create the critical infrastructure needed to provide a full continuum of services. In fact, very few traditional schools are equipped to serve every student and often rely on the district or SELPA infrastructure to provide the more specialized and costly services. Thus, we recommend that charter schools that gain special education autonomy do any/all of the following:

- Create economies of scale by establishing new or joining existing charter school consortia or cooperatives;
- Negotiate service-sharing agreements with their districts, SELPAs, or other charters;
- Establish shared funding pools to mitigate risk;
- Partner with community organizations or other charters to invest in the development of charter special education infrastructure, including effective and innovative special education programs or delivery models.

- **Continue to study the underlying causes of the special education gap and examine the connections between school practices and students outcomes**

Structural barriers to autonomy described above are few of the most important factors contributing to the differences in special education enrollment between charter and traditional public schools. However, research indicates that they are not the only factors. We know that differences in school practices, as well as parent choice, affect the percentage of students classified for special education.⁴⁵

⁴⁵ "Why the Gap Special Education and New York City Charter Schools", Marcus A. Winters, CRPE, September 2013.

CONCLUSIONS AND RECOMMENDATIONS

We recommend conducting additional analyses of enrollment over time, identification, intervention, and service provision of special education in charter schools. More specifically, we recommend delving into the following questions:

- How do differences in school classification practices and parent choice affect the percentage of students with disabilities in California charters?
- Do classification rates in California charter schools differ as children progress through elementary, middle, and high school? If so, what are the implications of these differences?
- What is the effect of charter school autonomy for special education on student outcomes?
- What is the impact of Multi-Tiered Systems of Support, Response to Intervention, or other innovative and proactive service-delivery models on identification rates and student outcomes?
- What is the effect of inclusive philosophy and instructional practices on identification rates and student outcomes? ⁴⁶

A careful analysis of these factors will help us determine which practices and structures move us closer to the ultimate goal—better educational options and brighter futures for our state’s exceptional students.

⁴⁶ These questions are of particular interest as they also echo the priority areas outlined in the recommendations of the Statewide Special Education Task Force (One System: Reforming Education to Serve All Students, Report of California’s Statewide Task Force on Special Education, March 2015.)

ACKNOWLEDGEMENTS AND CONTACTS

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California
Charter Schools
Association

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Appendices

APPENDIX 1: El Dorado Charter SELPA School Cohort Data

2011-12 Cohort Data	2011-12	2012-13
EDCOE Number of charters	32	32
CBEDS count	9327	11503
Students with disabilities	677	880
% All students with disabilities	7.3%	7.7%
SLD, SLI, OHI (or higher-incidence disabilities)	567	720
% SLD, SLI, OHI (or higher-incidence disabilities)	6.1%	6.3%
All other disabilities (or lower-incidence disabilities)	110	160
% All other disabilities (or lower-incidence disabilities)	1.2%	1.4%

*33 schools were part of the 10-11 cohort, but 1 of them had closed between 11-12 and 12-13. The analysis is based on the remaining 32.

2010-11 Cohort Data	2010-11	2011-12	2012-13
EDCOE Number of charters	55	55	55
CBEDS count	21663	24879	26126
Students with disabilities	1476	1764	2014
% All students with disabilities	6.8%	7.1%	7.7%
SLD, SLI, OHI (or higher-incidence disabilities)	1311	1531	1732
% SLD, SLI, OHI (or higher-incidence disabilities)	6.1%	6.2%	6.6%
All other disabilities (or lower-incidence disabilities)	165	233	282
% All other disabilities (or lower-incidence disabilities)	0.8%	0.9%	1.1%

*60 schools were part of the 10-11 cohort, but 5 of them had closed between 10-11 and 12-13. The analysis is based on the remaining 55.

2009-10 Cohort Data	2009-10	2010-11	2011-12	2012-13
EDCOE Number of charters	23	23	23	23
CBEDS count	5972	6757	7622	8240
Students with disabilities	474	595	717	796
% All students with disabilities	7.9%	8.8%	9.4%	9.7%
SLD, SLI, OHI (or higher-incidence disabilities)	439	533	615	682

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% SLD, SLI, OHI (or higher-incidence disabilities)	7.4%	7.9%	8.1%	8.3%
All other disabilities (or lower-incidence disabilities)	35	62	102	115
% All other disabilities (or lower-incidence disabilities)	0.6%	0.9%	1.3%	1.4%

2008-09 Cohort Data	2008-09	2009-10	2010-11	2011-12	2012-13
EDCOE Number of charters	23	23	23	23	23
CBEDS count	8616	8834	10138	11067	11369
Students with disabilities	616	692	810	921	969
% All students with disabilities	7.1%	7.8%	8.0%	8.3%	8.5%
SLD, SLI, OHI (or higher-incidence disabilities)	557	617	707	811	833
% SLD, SLI, OHI (or higher-incidence disabilities)	6.5%	7.0%	7.0%	7.3%	7.3%
All other disabilities (or lower-incidence disabilities)	59	75	103	110	139
% All other disabilities (or lower-incidence disabilities)	0.7%	0.8%	1.0%	1.0%	1.2%

APPENDIX 2: El Dorado Charter SELPA Disability Data

Disability Category	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
MD (Multiple Disability)	0.0%	0.0%	0.0%	0.1%	0.3%	0.1%	0.1%	0.2%
TBI (Traumatic Brain Injury)	0.7%	0.0%	0.6%	0.3%	0.2%	0.3%	0.2%	0.2%
Deaf	0.0%	0.3%	0.2%	0.1%	0.2%	0.1%	0.3%	0.1%
VI (Visual Impairment)	0.0%	0.9%	0.3%	0.3%	0.4%	0.3%	0.4%	0.4%
OI (Orthopedic Impairment)	1.3%	0.3%	0.3%	0.5%	0.5%	0.8%	0.7%	0.8%
HH (Hard of Hearing)	0.0%	0.0%	0.3%	0.8%	1.2%	1.3%	1.0%	0.9%
ID (Intellectual Disability)	0.0%	0.3%	0.2%	0.9%	1.0%	1.3%	1.4%	1.6%
ED (Emotional Disturbance)	0.7%	1.9%	5.2%	4.0%	3.2%	3.6%	4.3%	4.4%
AU (Autism)	2.0%	2.8%	2.4%	2.5%	4.7%	6.1%	6.6%	7.2%
OHI (Other Health Impairment)	5.2%	9.9%	12.0%	10.4%	11.3%	13.0%	14.0%	14.7%
SLI (Speech and Language)	22.2%	23.5%	22.1%	19.5%	19.1%	19.5%	18.3%	18.0%
SLD (Specific Learning Disability)	68.0%	60.1%	56.3%	60.7%	58.0%	53.4%	52.7%	51.6%

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Disability Category	EDCOE Charters 2006-07	EDCOE Charters 2012-13	EDCOE Charters 2013-14	Statewide Incidence 2013-14 K- 12
MD (Multiple Disability)	0.0%	0.1%	0.2%	0.7%
TBI (Traumatic Brain Injury)	0.7%	0.2%	0.2%	0.2%
Deaf	0.0%	0.3%	0.1%	0.5%
VI (Visual Impairment)	0.0%	0.4%	0.4%	0.5%
OI (Orthopedic Impairment)	1.3%	0.7%	0.8%	1.6%
HH (Hard of Hearing)	0.0%	1.0%	0.9%	1.3%
ID (Intellectual Disability)	0.0%	1.4%	1.6%	5.4%
ED (Emotional Disturbance)	0.7%	4.3%	4.4%	3.7%
AU (Autism)	2.0%	6.6%	7.2%	11.2%
OHI (Other Health Impairment)	5.2%	14.0%	14.7%	10.6%
SLI (Speech and Language Impairment)	22.2%	18.3%	18.0%	20.3%
SLD (Specific Learning Disability)	68.0%	52.7%	51.6%	44.0%

Statewide Incidence, December 1, 2013 CASEMIS. Retrieved from: <http://dq.cde.ca.gov/dataquest/>

Statewide Comparison	2006-07(10 schools)	2007- 08(17)	2008- 09(23)	2009- 10(46)	2010- 11(106)	2011- 12 (138)	2012- 13 (171)	2013- 14 (192)
% K-12 students with disabilities statewide	9.9%	9.8%	9.8%	9.9%	9.9%	9.9%	10.1%	10.3%
% All students with disabilities	5.8%	7.1%	7.1%	7.9%	7.5%	7.7%	8.2%	8.7%
% SLD,SLI,OHI (or higher-incidence disabilities)	5.5%	6.6%	6.5%	7.1%	6.6%	6.6%	7.0%	1.3%
% All other disabilities (or lower-incidence disabilities)	0.3%	0.5%	0.7%	0.7%	0.9%	1.1%	1.2%	1.4%

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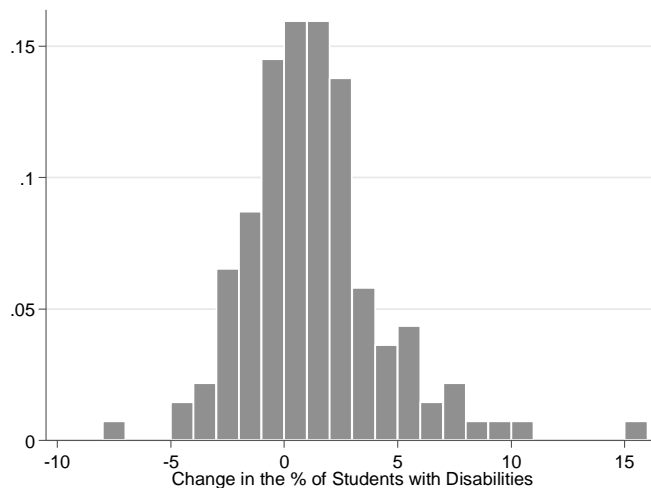
APPENDIX 3: Regression Analysis

In order to quantify the relationship between LEA status and students with disabilities, we run a baseline model as well as four robustness tests. All of the models are ordinary least squares regressions that include just two variables. The independent variable is the number of years a charter school has been an LEA as of 2012-13, and its distribution is made clear in Table X. The dependent or outcome variable is the change in the percent of students in the school who have disabilities from when the school first became an LEA to 2012-13 or the last year the school was open. Table 1 and figure 2 below show the distribution of these two variables, respectively, and table 3 reports the results from the five regression models.

Table 1: Years charter schools have been LEAs as of 2012-13

# of Years as an LEA	# of Schools	% of Total
2	37	27%
3	55	40%
4	23	17%
5	7	5%
6	7	5%
7	9	7%

Figure 2: Histogram of Changes in the Percent of Students with Disabilities



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Table 3: The Relationship between LEA Status and Percent of Students with Disabilities

Model	1 Baseline	2 No Extremes	3 No 7-Year LEAs	4 2-4 Year LEAs	5 When LEA Began
Outcome	Change in % with Disabilities				% with Disabilities
Years as an LEA	.376** [.188]	.439** [.167]	.544** [.250]	.768* [.408]	-.209 [.197]
Observations	138	136	129	115	138
Adjusted R-squared	.022	.042	.029	.022	.001

Notes: All models use bivariate ordinary least squares regressions. The Baseline Model (1) includes all charter schools that had been an LEA for at least two years as of 2012-13. Models 2-4 exclude subsets of charters. Models 1 and 5 analyze the same universe of schools, but the outcome in Model 5 is the percent of students with disabilities when the charter school became an LEA. * p<.1, ** p<.05, *** p<.01

The baseline model finds that every additional year a charter school has been an LEA is related to a 0.4% greater increase in the percent of its student body who have disabilities. This statistically significant relationship becomes substantial when we consider the cumulative impact over multiple years. A charter that was an LEA for seven years will tend to see a **2% greater increase** in the percent of students with disabilities than a charter that was only an LEA for two years.

The figure and table above suggest that this relationship may be driven by a small group of outliers. The figure shows that two schools experienced relatively extreme changes (-8% and +15%) in the percent of students who have disabilities, and these outliers can have an outsized influence on the results of the baseline model. Model 2 therefore excludes these two outliers and finds a statistically equivalent relationship between length of time as an LEA and the change in SPED population. The table above reveals an uneven distribution in the number of years that charters have enjoyed LEA status. Only 7% of these 138 charters had been an LEA for 7 years as of 2012-13, and only 17% of these 138 schools had been an LEA for over four years. Models 3 and 4 exclude these subsets of charters and produce even higher coefficients than the baseline model. The result for Model 4 is slightly less statistically significant, but this is somewhat caused by having 17% fewer observations than the baseline model. These robustness tests suggest that our baseline model may **underestimate** the relationship between length of time with LEA status and the change in percent of students with disabilities.

There is one important alternative hypothesis we can test. It is possible that schools that achieved LEA status 4 or more years ago tended to start with relatively small proportions of students with disabilities, while schools that achieved LEA status in the past 2 or 3 years started with relatively high percentages of these students. If this is true, then this difference in start

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points could explain the different rates of change. We might expect schools with relatively low percentages of students with disabilities to experience higher rates of change. Model 5 examines this alternative hypothesis by testing the relationship between years as an LEA and the percent of students with disabilities when charters first became LEAs. The coefficient is insignificant and the sign is negative, which demonstrates that the alternative hypothesis is untrue. Despite having similar starting points, charters that have been an LEA for a longer period of time have experiences larger increases in the percent of students with disabilities.

LIMITATIONS

Data Availability

Our analyses are limited to charter schools that become LEAs in El Dorado Charter SELPA between 2006-07 and 2012-13. ⁴⁷In 2012-13 those charter LEAs comprised about 70% of all charter LEAs in the state. Data for other SELPAs that have charter LEAs was not available at this time. Additionally, we did not have data for all charter schools that did not become LEAs. The only option, therefore, was to conduct an analysis of the length of time the El Dorado SELPA charter schools have been LEAs and the relative proportion and range of students with disabilities they served over time. If similar data for all schools was available, we could compare these charters to similar schools that did not become LEAs.

Non-Random Assignment

If this data followed the ideal experimental design, then the number of years a school was an LEA would be random. This is not reality. Various actors, including charter school leaders, had control over when particular schools acquired LEA status. Our conclusion is only in danger if the non-random selection biases the rate at which the change in special education population would occur. Regression Model 5 finds that one alternative hypothesis – that schools with longer periods as LEAs started with relatively low levels of SPED students – is false. Another hypothesis related to non-random assignment is that the charter leaders most interested in increasing their share of percent students with special needs worked hard to acquire LEA status early. This hypothesis is hard to test directly, but Model 4 – which only looks at charters that were LEAs for less than five years – shows that the relationship holds even when we exclude the oldest LEAs.

Causation

Correlation does not equal causation. Our analyses show a statistically significant relationship between length of time as an LEA and the change in the percent of students with disabilities. The regression models by themselves do not prove that gaining LEA status causes the increase in

⁴⁷ Note that the regression analysis was completed prior to receiving 2013-14 data.

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percent of students with special needs. In order to do that, we need to use process tracing to uncover the causal mechanisms that connect these two variables. Case studies can provide this qualitative evidence, but this type of analysis is beyond the scope of this study.

Scope of the Argument

Our quantitative evidence shows that enjoying LEA status for a longer period is related to larger increases in the percent of students with disabilities; however our analysis is limited in scope. It is possible that all charter schools would experience comparable increases in their percent of students with disabilities if they achieved LEA status, but more data and experimentation with LEA status is needed before we can know that with certainty.

APPENDIX 4: LAUSD Disability Data

Option 3 Schools Eligibility Categories	Incidence 2010-11	Incidence 2011-12	Incidence 2012-13
TBI (Traumatic Brain Injury)	0.1%	0.2%	0.2%
VI (Visual Impairment)	0.5%	0.3%	0.3%
MDH/MDO (Multiple Disabilities)	0.2%	0.5%	0.5%
DD (Developmental Delay)	0.6%	0.7%	0.2%
OI (Orthopedic Impairment)	0.4%	0.4%	0.5%
ED (Emotional Disturbance)	0.9%	1.5%	1.4%
DEA/HOH (Deaf/Hard of Hearing)	1.9%	1.8%	1.5%
MR/ID (Intellectual Disability)	3.1%	3.2%	2.6%
AUT (Autism)	7.1%	8.0%	9.4%
SLI (Speech and Language Impairment)	9.1%	8.9%	8.6%
OHI (Other Health Impairment)	13.6%	13.3%	15.9%
SLD (Specific Learning Disability)	62.3%	61.5%	58.9%

Eligibility	LAUSD # 2012-13	Incidence % 2012-13
ID	4097	5.4%
HH	998	1.3%
DEAF	303	0.4%
SLI	8401	11.1%
VI	397	0.5%
ED	1843	2.4%
OI	2022	2.7%
OHI	8105	10.7%
SLD	38991	51.3%

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DB and MD	0	0.0%
AUT	10768	14.2%
TBI	63	0.1%
LAUSD Total (K-12)	75988	100.0%

LAUSD Incidence, December 1, 2012 CASEMIS. Retrieved from:
<http://dq.cde.ca.gov/dataquest> CDE does not report district data by grade and disability. The numbers were estimated by eliminating students 0-4 years old.

	2010-11			2011-12			2012-13			2013-14		
	CBEDS	# SWD	% SWD	CBEDS	# SWD	% SWD	CBEDS	# SWD	% SWD	CBEDS	# SWD	% SWD
All Charters	69,444	5,699	8.2%	82,888	7,143	8.6%	88,613	8,244	9.3%	94,940	9,333	9.8%
Non-Option 3 Indep. Charters	43,280	3,585	8.3%	53,802	4,523	8.4%	47,805	4,210	9.0%	43,689	4,118	9.4%
Option 3 LEA-like*	26,164	2,114	8.1%	29,086	2,620	9.0%	40,808	4,034	9.9%	51,251	5,215	10.2%
All Public K-12 Schools in the District** (incl. charter)	660,954	75,918	11.5%	655,684	75,801	11.6%	648,833	76,104	11.7%	647,111	75,636	11.7%
All Public Schools in the District (incl. pre-K, adult, and special ed centers)	667,251	82,215	12.3%	662,140	82,257	12.4%	655,494	82,765	12.6%	653,826	82,351	12.6%

* 2010-11 Option 3 Data is prior to joining Option 3 ** Since IDEA applies to individuals with disabilities from 0-22 years old and charter programs are limited to K-12 education, we have narrowed our comparison to only LAUSD K-12 schools. The data was derived by subtracting ungraded special education students (primarily 0-5 year olds). Data Source: Retrieved from CDE DataQuest, December 1, 2010, 2011, 2012 CASEMIS <http://dq.cde.ca.gov/dataquest> Data for charters was obtained from the LAUSD Office of the Independent Monitor Report: http://oimla.com/pdf/20141010/AnnualReport20132014_Final.pdf and the LAUSD Special Education Division